

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5893
ANSWERED ON:03.05.2002
FUNDS FOR CORE SECTORS
GOWDAR MALLIKARJUNAPPA;IQBAL AHMED SARADGI

Will the Minister of FINANCE be pleased to state:

- (a): whether the government's proposal to set up Rs.1,000 crore sector fund for development of power, roads, airports and ports has been welcomed by the departments concerned;
- (b): if so, the main features of this fund; (
- (c): whether the contribution would be made by the public sector insurance firms, FIs and some banks also
- (d) if so, the total sum to be provided in power development of roads and ports and national highways
- (e) whether any concrete steps in this regard have been worked by these departments for utilizing this fund; and
- (f) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) to (f) : The finance Bill 2002 envisaged an Infrastructure Equity Fund (IEF) of Rs 1,000 crore to be managed by IDFC with a view to provide equity investment for infrastructure project. The contribution to IEF would be made by Public Sector Insurance Companies, Financial Institutions and Banks. The modalities for creating and operationalising funds are in the process of being finalised.